



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

May 5, 2009

Raj Singh, Vice President
Allied Modular Building Systems, Inc.
642 West Nicolas Avenue
Orange, CA 92868

Dear Mr. Singh:

RE: FINAL MONITORING VISIT REPORT for Allied Modular Building Systems, Inc.
ET08-0100

Date of the Visit:	4/29/09
Beginning/Ending Time:	1:30 p.m. – 3:00 p.m.
Date of Last Visit:	9/25/08
Visit Location:	Orange
Persons in attendance:	Raj Singh, Vice President, Allied Modular; Debbie Singh, Accounting; Allied Modular; Sallyanne Monti, Administrative Subcontractor (via telephone); and Krista Campion, Contract Analyst, Employment Training Panel
Action Required:	No

CONTRACT INFORMATION

Term of Agreement:	7/03/07 – 7/02/09	Agreement Amount:	\$183,300
Training Start Date:	7/06/07	No. to Retain:	75
Date Training Completed:	4/02/09	Range of Hours:	24 – 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	94

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ETP (04/15/05)

FINAL REPORT SUMMARY:

• ***HISTORY OF AGREEMENT CHANGES***

The Agreement was executed on 9/14/07. Ms. Singh confirmed that training commenced on this project on 7/06/07 and the last day of ETP training was 4/02/09, which allows for the 90-day retention period to be completed within the term of the Agreement – 7/02/09.

There were no Agreement Modifications or Amendments processed during the term of this Agreement.

• ***INTERVIEW WITH THE SIGNATORY, RAJ SINGH, VICE PRESIDENT***

Allied Modular Building Systems, Inc. (Allied Modular) manufactures, distributes and installs custom modular buildings, offices, clean rooms, guard houses, smoking shelters, machine enclosures, mezzanine systems and guard rails. During the development of the Agreement in May 2007, the company projected a 30 to 40 percent increase in business by 2008/2009 and projected to increase the number of full-time employees to approximately 75 by the middle of 2009.

You reported that these projections did not materialize, rather Allied Modular Building Systems is sustaining but did not grow at the rate previously expected due primarily to the slowdown in the economy. As a result, the training plans were affected and fewer training hours were delivered than planned. However, you reported that overall the ETP training project increased job skills of the employees and you received good feedback from the employees on the quality of the training. You stated that employees' job knowledge has increased and expanded the trainees' knowledge of business practices across the organization.

See below for the projected earnings.

PROJECT STATUS PROVIDED BY THE CONTRACTOR

Trainees Started Training:	43	Completed Retention:	10
Dropped Following Enrollment:	7	In Retention Period:	11
Completed 24 Minimum Hours for reimbursement:	21		
Completed Training:	21		

Ms. Monti reported that approximately 10 retrainees have completed the 90-day retention period that have yet to be invoiced for final payment.

PROJECTED EARNINGS / NUMBER TO RETAIN

Ms. Monti confirmed that 21 retrainees (28 percent of planned trainees) have completed the minimum number of hours to qualify for reimbursement, which is consistent with the information in the ETP class/lab tracking system. The per trainee reimbursement for class/lab training is based on the total actual number of training hours completed for each trainee, provided the minimum (24) and no more than the maximum (200) class/lab training hours are completed, and all other Agreement terms and conditions are met.

The 21 retrainees referenced above have completed from 24 to 90.5 hours of class/lab training, for a grand total of 1,166 hours of training. This equates to a potential reimbursement of \$30,322, assuming that all Agreement performance requirements are met. This amount is approximately 16.5 percent of the Agreement amount.

INVOICES

Ms. Monti was reminded that the final closeout invoice should be submitted to the ETP Fiscal Unit no later than 30-day following the end term date of the Agreement or 8/02/09.

ATTENDANCE ROSTERS

Attendance Rosters reviewed:	6 trainees' rosters covering 8/01/08 – 1/24/09	Rosters reviewed contained all the required information per Title 22, California Code of Regulations, Section 4442.	YES
Information contained in rosters reviewed was consistent with the hours reported on-line?			YES

AUDIT

Allied Modular Building Systems, Inc. will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

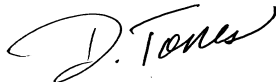
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information in this letter, please contact Ms. Campion at 619-686-1917, or at kcampion@etp.ca.gov, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Regional Office



Krista Campion, Contract Analyst
San Diego Regional Office

cc: Sallyanne Monti, Administrative Subcontractor
David Guzman, Chief, Program Operations Division
Kulbir Mayall, Manager, Fiscal and Certification
Master File
Project File